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HIGH COMMISSIONER'S PROGRAMME

Forty-sixth session

REPORT OF THE MEETING OF THE SUB-COMMITTEE ON ADMINISTRATIVE AND FINANCIAL MATTERS

I. INTRODUCTION

1. The 12 October 1995 inter-sessional meeting of the Sub-Committee on Administrative and Financial Matters (SCAF) was opened by its Chairman, His Excellency Ambassador J. Esper Larsen (Denmark). In his opening remarks, the Chairman introduced the provisional annotated agenda (EC/SC.2/74), which was adopted without comment.

2. The Chairman then gave an overview of the work of the inter-sessional meetings of the Sub-Committee, in which he recalled that, at its 20 June meeting, SCAF adopted a series of conclusions on budgetary questions, to be submitted to the forthcoming Executive Committee for its endorsement. He also made mention of the recommendations of the Working Group on Executive Committee Working Methods, recalling that recommendations concerning documentation had been adopted by a special meeting of the Executive Committee on 20 June, while others were now before the Sub-Committee for adoption and subsequent endorsement by the forty-sixth session.

3. The Sub-Committee then adopted the draft report of the 20 June 1995 meeting (EC/1995/SC.2/CRP.25) with one amendment.

II. STATEMENT OF THE DEPUTY HIGH COMMISSIONER

4. The Deputy High Commissioner gave a brief overview of the most important recent developments of concern to UNHCR, in particular those relating to major emergency operations. He drew attention to the importance of the Beijing Global Plan of Action for UNHCR's own work, particularly for women refugees. He went on to comment on efforts to assure more effective management and efficient use of the resources placed at the disposal of the Office. Some of these initiatives would also assist UNHCR in addressing shortcomings highlighted in the report of the Board of Auditors. He said that the High Commissioner and Senior Management have recognized the need for a comprehensive and well-structured review of the institution as a whole. This review would focus foremost on management and administrative processes, procedures and tools, rather than on structure, which was felt largely still to serve the needs of UNHCR. He emphasized that this process would be strongly oriented towards cost savings, producing options which would include outsourcing, outposting and downsizing UNHCR in general and Headquarters in particular. The Deputy High Commissioner undertook to report back to the Executive Committee on progress in this regard in early 1996. In closing, the Deputy High Commissioner expressed his appreciation for the tireless and skilful efforts of the Chairman throughout the past year.

III. PROGRAMMES AND FUNDING

5. This item and its related documentation (A/AC.96/846/ Parts I-VII; A/AC.96/845/Parts I-III; A/AC.96/845/Part I/Add.1) was introduced by the Director of the Division of Programmes and Operational Support (DPOS), and by the Head of the Fund Raising Service. Attention was also drawn to the relevant sections of the report of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) (A/AC.96/854).

6. The revised 1995 overall programme needs, as at 1 September 1995, were estimated at $ 1.3 billion. The overall programme needs for 1996 are estimated at $ 1.1 billion; the proposed General Programmes 1996 target which the Executive Committee will be asked to approve stands at $ 445,327,000. The Director (DPOS) also drew attention to the proposals in relation to the Fund for International Field Staff Housing and Basic Amenities.

7. The Head of the Fund Raising Service said that, as at 12 October 1995, contributions since 1 January amounted to $ 757 million. Current projections placed total 1995 income at some $ 1 billion. He urged a special effort by donors in the remainder of 1995 to ensure full funding of General Programmes, the repatriation programmes to Mozambique and within the Horn of Africa, and for the Rwanda/Burundi emergency. He expressed UNHCR's appreciation for sustained donor support.

8. Delegations complimented UNHCR on the quality of the documentation. One delegation, however, asked for more information on resources, including donor contributions to programmes, and more qualitative information on programme .

implementation which resulted from monitoring and evaluation reports. The wish was also expressed that UNHCR's evaluation reports be made available to a broader audience.

9. Several delegations focused on the comments of the ACABQ regarding ex post facto reporting on programmes and the failure to include supplementary estimates in budget submissions; it was felt that this reflected deficiencies in UNHCR's planning processes/programme cycle.

10. The need for a consistent definition across the United Nations system of administrative costs was underlined by one delegation; only in this way would a clearer and comparable picture of administrative costs in UNHCR be obtained.

11. The question of UNHCR staffing levels, particularly at Headquarters, and the related question of Headquarters accommodation, was a theme of a number of interventions; these delegations shared the concern expressed by the ACABQ on this issue. While noting that progress was already being made by UNHCR to address staffing levels at Headquarters, it was felt that this was a subject to which an inter-sessional meeting UNHCR Standing Committee should return in 1996.

12. UNHCR, in responding to the various interventions, made the following comments in relation to documentation and the programming cycle. Documentation (A/AC.96/848; A/AC.96/849) before the Executive Committee already contained information on contributions to programmes. To include this information in the Overview document would, prima facie, be difficult; UNHCR would, however, look into this. The same comment was made in regard to the inclusion of more qualitative information on programmes. As regards the programming cycle (this related to the question of supplementary estimates), UNHCR was caught between two seemingly irreconcilable demands: firstly, to have from the field the most current information on which to base the Letters of Instruction (Programme Authorizations) for a planning year; and secondly, to give up to date programming information to the Executive Committee, but in a timely manner, for it to discharge its governance function. Having just changed its programming cycle to achieve the first of these objectives, UNHCR now had to address the concerns of the Executive Committee in regard to ex post facto reporting. UNHCR would be returning to the Executive Committee for a further exchange of views on this point.

IV. ASSISTANT HIGH COMMISSIONER

13. A proposal (A/AC.96/846/Part VII/Add.1) to create a post of Assistant High Commissioner (Policy, Planning and Operations) at the Assistant-Secretary-General level, and to be funded through voluntary funds, was considered by the Sub-Committee. There was broad support for the proposal. A number of delegations were of the opinion that it would have been preferable if the proposal had been raised in the Sub-Committee before presenting it to the ACABQ for its opinion, and that this should be the procedure in future. Some delegations asked that the post be kept under review, as was the case for the other senior positions in UNHCR, in the context of the changing work-load of the Office and the normal review of posts funded under voluntary funds. One

delegation felt that as the post would most likely become a permanent feature of UNHCR's senior management structure, it should be funded under the United Nations Regular Budget. Several delegations suggested that once the post was in place, a review of UNHCR's senior management structure be undertaken within the framework of the deliberations of the Steering Committee in 1996.

14. UNHCR, in commenting on some of the interventions, noted that the procedure followed in presenting the post for approval was, in its opinion, the accepted one; this procedure, however, could be changed if the Executive Committee so desired.

V. EDUCATION ACCOUNT

15. The recommendation as set out in EC/SC.2/81 to cover the costs of those remaining students currently being funded through the Education Account was supported by the Sub-Committee; it was pointed out, however, that the endorsed approach was by way of exception, given the higher priority needs that had to be met from the limited resources of the General Programmes.

16. The Chairman summed up agenda item 3 (and its related sub-items) by noting the broad consensus on the issues discussed and which were reflected in the relevant paragraphs of the draft decision (A/AC.96/845/Part I, pages 11, 12) which would be presented to the Plenary Session for approval.

VI. REFUGEE WOMEN

17. The Director of the Division of Programmes and Operational Support introduced the paper (EC/SC.2/77) by recalling the Deputy High Commissioner's comments regarding the importance of the Beijing World Conference on Women to the further mobilization of UNHCR's efforts on behalf of refugee women.

18. Delegations congratulated UNHCR on its participation in the preparatory conferences which had resulted in extensive coverage of the situation of refugee women in the global Platform for Action, and exposure of a wide audience to refugee issues.

19. Several delegations praised the development of the policy and guidelines on refugee women, and specifically the Guidelines on Preventing and Responding to Sexual Violence Against Refugees. The importance of continued high profile advocacy was noted. One delegation, while acknowledging the need for guidelines to address the tragic situation of victims of sexual violence, and noting that they were intended as guidance to field staff, regretted that some elements of these Guidelines were not acceptable to his delegation.

20. Many delegations noted that a gap remained between policy and field implementation, welcomed UNHCR's commitment to redressing this, and called for the provision of adequate financial and human resources. The importance of baseline data and quantifiable targets in analysing progress of field implementation was stressed. Several delegations noted that attitudinal change and the personal accountability of staff and implementing partners were key

factors in ensuring that policies and guidelines were routinely applied. The critical importance of gender training, such as People-Oriented Planning (POP), in achieving attitudinal change was underlined; the continuing relevance of the recommendations of the Working Group on Refugee Women and Children on such training for all professional staff was also emphasized.

21. In UNHCR's responses to these interventions, the Senior Coordinator (Refugee Women) noted the concern regarding implementation and specifically accountability and attitudinal change. She indicated that work had already begun on a Framework for implementing the Beijing recommendations which would form the basis for UNHCR's future work on refugee women; some elements to be included in the Framework would respond specifically to the accountability question, the development of performance indicators and training. The Director (DPOS) reiterated the priority that the Office gave to addressing the needs of refugee women and tapping their potential. The importance of gender-sensitivity training such as POP for the achievement of this objective was clearly recognized. It was incumbent on management to see that gender-sensitivity was appropriately reflected in all UNHCR training, that staff saw the importance of this training, and that they had the opportunity to gain this necessary competency.

VII. REFUGEE CHILDREN

22. A progress report on the work of UNHCR on behalf of refugee children (EC/SC.2/78) was introduced by the Director (DPOS); in his remarks he referred to the work by UNHCR and UNICEF to prepare a joint Memorandum of Understanding (MOU).

23. Delegations welcomed the wide distribution of the UNHCR Guidelines on Refugee Children. It was stressed that the focus now should be on the implementation of the policies contained therein, and the integration of the guidelines into mainstream programming. The importance of continued high profile advocacy was noted. Issues touched on in interventions related to immunization, education, exploitation, psycho-social needs and tracing/family reunification. On the psycho-social needs of children, the need to establish standards of care at the community level was stressed; these standards should reflect lessons learnt from in-country experience in a range of countries. The subject of tracing and family reunification was touched on by several delegations; appreciation was expressed for the flexibility shown in giving effect to the central importance of maintaining families. A number of delegations welcomed the progress on the MOU between UNICEF and UNHCR; questions were raised about its provisions and possible dialogue with donors on its contents prior to its signing.

24. In responding to the interventions, the Senior Coordinator (Refugee Children) expressed appreciation for the support of delegations· it was recognized that much work remained to be done. The Director (DPOS) indicated that the contents of the UNICEF/UNHCR MOU would be shared with donors upon

signature. As the MOU came into effect and the experience of collaborative efforts were shared with donors, the comments of delegations would be most welcome; it was foreseen that a Working Group would be tasked with the monitoring of the MOU and its refinement in the light of experience.

VIII. REFUGEE HEALTH

25. The Director (DPOS) introduced the document EC/1995/SC.2/CRP.29 on Refugee Health.

26. Interventions supported UNHCR policies and approach to refugee health. Several delegations welcomed the primary health care emphasis as well as the initiative of the High Commissioner to promote reproductive health activities. One delegation questioned whether policy was reflected in practice. One delegation also requested UNHCR to report on a yearly basis to SCAF on the progress and achievements, particularly as regards reproductive health activities.

27. Other interventions covered: micro-nutrient deficiency diseases; the need to train and involve refugees, especially women, in the planning and implementation of health and nutrition programmes; and the preparation of the manual on Reproductive Health services.

28. The Director (DPOS), commenting on resources allocated to the health sector in 1995 by UNHCR, highlighted the significant contribution by non-governmental organizations (NGOs) of their own resources to this sector of activity.

IX. REFUGEES AND THE ENVIRONMENT

29. The Sub-Committee had before it document EC/SC.2/79 and Add.1. In introducing the report, the Director (DPOS) recalled that at the last Executive Committee the issue of the impact of refugees on the ecosystems of refugee hosting countries was raised by a number of delegations. In December 1994, the High Commissioner established an internal Working Group on the Environment to look into the issues raised by the various delegations. The Working Group produced a report in July 1995 which recommended a more focused environmental policy, together with a series of practical steps to assist UNHCR to integrate environmental concerns into day-to-day programmes. It presented a very strong, well argued case for a preventive approach and the integration of environmental considerations into UNHCR's operations from the beginning of refugee emergencies. The Senior Coordinator (Environmental Affairs) said that the newly reformulated environmental policy of UNHCR was in harmony with internationally accepted basic environmental principles, including those enunciated in Agenda 21 at the Environment Conference (Rio De Janeiro, 1992). These principles were: integration; prevention; cost effectiveness (with net benefit maximization) and participation.

30. Two delegations welcomed the newly formulated environmental policy. One delegation underlined the need for environmental impact assessments in the early phase of emergencies. It was suggested that in future reports, examples should be given of successful field environmental management and rehabilitation projects undertaken by UNHCR. The importance of environmental awareness-raising and training was also underlined. One delegation expressed some reservations about the logic of the paper.

31. In reply, the Director (DPOS) stressed that the reformulated policy had resulted from extensive consultations within UNHCR and with outside agencies, including International Union for the Conservation of Nature (IUCN) and United Nations Environment Programme (UNEP) and with those agencies involved in the follow-up to UNCED. The Senior Coordinator (Environmental Affairs) noted that, in the field, action oriented environmental assessment (preparation of an environmental strategy and action plan) was essential to maximize the net benefit accruing from the limited resources which were available for environmental activities.

X. EMERGENCY RESPONSE

32. Document EC/1995/SC.2/CRP.28 was introduced by the Director (DPOS).

33. Delegations expressed support for UNHCR's continued efforts to improve its emergency response capacities. Several stressed the importance of ensuring appropriate coordination with other United Nations agencies and UNHCR's implementing partners, especially in the development of Government Service Packages. Several delegations reaffirmed their interest in the development of these packages which, it was stressed, should be resorted to only in situations where existing response capacities would be inadequate.

34. In reply, the Chief of the Emergency Preparedness and Response Section underlined the high level of inter-agency coordination that already existed. UNHCR had shared its experiences widely and had profited from the experience of others. As an example, she noted that current UNHCR initiatives in contingency planning at the country level were being undertaken jointly with other United Nations agencies and operational partners.

XI. ACCOUNTS AND AUDIT

35. The Controller introduced the Accounts by pointing out two additions in their presentation, namely Statement 4 and Schedule 10. He also indicated that, in line with recommendations of the Working Party on Financial Statements to the CCAQ (FB) and the Advisory Committee on Coordination (ACC), the 1995 accounts would include a detailed Statement of Income and Expenditure in respect of Other Trust Funds (presently submitted in Schedule 5), and a separate Balance Sheet for each Fund and Programme, currently consolidated in Statement 1.

36. In presenting the Report of the Board of Auditors, the Controller noted the main issues raised and then outlined some of the measures taken to improve UNHCR's performance and reduce recurrent audit problems. These included the

reconstitution of the Audit Committee, the introduction of a tightly controlled audit response procedure for setting time-frames and assigning responsibilities for responding to audits, and the newly established procedure for reporting on the implementation of recommendations to the Office of Internal Oversight (OIOS). Other issues under scrutiny were the question of audit certification of implementing partners, the close monitoring of the implementation of the new asset management system, and greater accountability of managers in the field.

37. As part of a broader strategy to address recurrent audit issues, the Controller reported on a new initiative by the Information and Communication Systems Section which aimed to re-engineer UNHCR's current business processes. This project will take advantage of an already substantial investment in communications and messaging technologies, to allow all UNHCR offices throughout the world access to common databases, thus improving access to appropriate management information by key decision makers.

38. Interventions on this item expressed serious concerns that the Board of Auditors report showed little progress had been made by UNHCR on addressing recurrent audit issues. This concern related to audit comments that UNHCR's selection, monitoring and oversight of implementing partners was deficient. Issues of audit certification and overhead payments were raised. Reference was also made to a specific case of fraud and mismanagement in 1991-92 by an implementing partner. It was pointed out that lack of control and oversight played a major role in that case. There was also a question about the establishment of an investment committee, and about unliquidated obligations.

39. The Controller replied that UNHCR took the Board of Auditors report very seriously and that all efforts would be made to address the systemic problems. These problems have complex causes and will require action in many areas to achieve improved performance. The Controller welcomed the suggestion that these issues should be discussed again at future inter-sessional meetings.

XII. IMPLEMENTING PARTNERS

40. This agenda item and its related documentation (EC/1995/SC.2/CRP.27) was introduced by the Director of DPOS. Several delegations stressed the importance of UNHCR's relationship with its implementing partners, as well as the significant and valuable contributions that such partners make, particularly in emergency operations. A number of delegations also commended UNHCR on progress achieved in cooperation with NGOs since the inception of the Partnership in Action (PARinAC) process which had led to enhanced dialogue, cooperation and understanding. One delegation congratulated UNHCR on the initiatives already taken to respond to various concerns, as well as on the definition of simple and transparent selection criteria.

41. Some delegations, while fully supportive of the partnership principle, urged UNHCR to be more flexible in its approach to the question of overhead costs for implementing partners, particularly headquarters costs. Partners

should contribute resources, but their headquarters overhead costs should be borne by UNHCR pro rata. Another delegation opposed this position. One delegation raised the issue of the current level of UNHCR's operationality and the extent to which partners were made aware of potential budgetary shortfalls.

42. In reply, the Director of DPOS observed that the enormous demands placed on UNHCR had naturally led to a major increase in the number of implementing partners. Some were new partners, and some old partners had experienced the same difficulties in adapting to increased demands as had UNHCR. As regards the issue of overhead costs, the Director of DPOS said that UNHCR, to the best of its knowledge, was implementing a policy reaffirmed by the Executive Committee in May 1990. It was for the Executive Committee to change this, but he believed a full review of all the arguments would be appropriate before any such change. On the question of operationality, the Director of DPOS said that, while UNHCR had probably become more operational in recent times, notably in some large emergency programmes, the overall policy of non-operationality had not changed. In reply to the question of partners being made aware of potential budgetary shortfalls, the Director of DPOS said that UNHCR agreements expressly stated that implementation was subject to the availability of funds and that, particularly under certain Special Programmes which were not fully funded, resulting budgetary reductions often had to be imposed. He believed that many of the concerns were covered in the handbook for implementing partners which was now being finalized

43. In his summing up, the Chairman said that a number of the issues raised, including UNHCR's relationship to its implementing partners and the issue of management and control of its partners, should be taken up as part of the inter-sessional programme of work.

XIII. CAREER MANAGEMENT STRATEGY

44. The agenda item was introduced by the Director of the Division of Human Resources Management (DHRM). He said that the Career Management System (CMS) project, described in the document before the Sub-Committee (EC/1995/SC.2/CRP.26), and other initiatives in relation to human resources management and training, will help the organization be ready to face whatever challenges await it in 1996 and beyond. He described in detail the current state of the CMS project.

45. On the subject of training in general, the Director noted that it was of major importance to a dynamic organization like UNHCR. To develop a cohesive strategy to derive the maximum benefit from the many training activities currently underway or planned for the future, a Training Advisory Board has been established. He noted that more than 60 per cent of UNHCR's training budgets are spent for training of UNHCR's operational partners. He estimated that some 2,000 UNHCR staff and 3,000 staff from UNHCR's operational partners - Governments and NGOs - will take part in one or more training workshops during 1995; over 85 per cent of all training activities are taking place in the field.

46. In their interventions, delegations welcomed the progress being made on the CMS. Some delegations shared the concern of the ACABQ that training be so managed that it meet the principal objectives of the organization and that there be an overall consistency of approach. One delegation noted that one such objective should be promoting stronger inter-agency linkages. The question of training, particularly overall training strategy and the related question of needed budgetary resources, should be a subject for discussion at an inter-sessional meeting. One delegation wondered if arrangements were in place to guarantee appropriate quality control of training delivered in the field.

47. In response, the Director (DHRM) noted that in regard to training, the principal role of the new Training Advisory Board would be to establish for the whole organization the policy, priorities and content for UNHCR training and to ensure consistency in the implementation of established objectives; in this it would be aided by the Staff Development Section (DHRM). Actual implementation of training would be done primarily in the field.

XIV. EXECUTIVE COMMITTEE WORKING METHODS

48. Introducing the Report of the Working Group on Executive Committee Working Methods (EC/SC.2/76) the Chairman reviewed the work of the open-ended Working Group on Executive Committee Methods, whose report was adopted at the SCAF meeting on 20 June 1995. Of this report, recommendations 27 to 36 which dealt with documentation were adopted at the special Executive Committee meeting held on 20 June 1995. The Chairman then proposed the adoption of the remaining recommendations for adoption. These were adopted without comment and are to be transmitted to the Plenary Session of the Executive Committee for endorsement.

XV. INTRODUCTION OF RUSSIAN AS AN OFFICIAL LANGUAGE

49. This agenda item and its related documentation (EC/SC.2/80 and Corr.1) was introduced by the Secretary of the Executive Committee. The delegate of the Russian Federation stressed the importance of making documentation available in Russian as it is the lingua franca in a wide geographical area experiencing diverse problems of concern to the Executive Committee. Two delegations, while voicing no objection to including Russian as an official language of the Executive Committee, raised questions about the cost implications. In particular, one delegation reminded Members of the position of its Government on growth under the United Nations Regular Budget. The Secretary of the Executive Committee suggested that these concerns would be more appropriately addressed in the Fifth Committee. He believed that savings accruing from the agreed limitation of Executive Committee documentation and from the reduction of the volume of translation would offset the costs of introducing Russian as an official language. The Sub-Committee recommended that the draft decision included in document EC/SC.2/80 on the introduction of Russian as an official language should be forwarded to the forty-sixth session of the Executive Committee for adoption.

XVI. ANY OTHER BUSINESS

50. The Deputy High Commissioner, on the occasion of the departure of Mr. Daniel Conway (Director of DHRM) to another organization, thanked him for his invaluable contribution to the work of UNHCR; these comments were endorsed by the Chairman and delegations.

51. There being no further business, the meeting was adjourned.